Vigilance wing in Nationalised Banks

1800. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that some nationalized banks are sanctioning loans without examining properly the viability of the projects of which loans are given;

(b) if so, the details of such cases and the steps taken against the personnel involved;

(c) whether Governmet are satisfied with the role performed by the vigilance wing of the nationalized banks; and

(d) if not, what steps have been taken to strengthen the wing?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserved Bank of India (RBI) has reported that banks have with the approval of their respective boards laid down policies in relation to assessment of financial requirement of borrowers subject to compliance with prudential exposure norms. Deficiencies in credit appraisal, if any, such as overoptimistic projection, lack of critical in-depth analysis/ techno economic evaluation of the project and sensitivity analysis etc. observed by RBI in the Annual Financial Inspections are discussed with the management of the banks for remedial action.

(c) and (d) The Central Vigilance Commission (CVC) has reported that it is satisfied with the working of vigilance wings of public sector banks and suitable remedial action is taken on an ongoing basis where deficiencies are observed.

Pension options in State Bank of Indore

1801. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some employees of award-staff of Janakpuri Branch, New Delhi of the State Bank of Indore, who had submitted their option for pension in 1994, had not been forwarded by the Branch Manager in time;

(b) if so, the reasons therefor;

(c) the details of representations, etc. forwarded/made by the Members of Parliament in this regard to the Ministry/Bank;

(d) by when the pension options are likely to be allotted/accepted by the Bank; and

(e) the details of action taken/contemplated against those responsible for delay?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) State Bank of Indore have reported that consent letters for pension of 14 officials of Janak Puri Branch, New Delhi were inadvertently not forwarded by the branch to the Head Office in time.

(c) Bank has further reported that 14 letters/representations have been received by them since 1st April, 1999 in this regard.

(d) and (e) According to the bank, the Board of Trustees of Pension Fund of the Bank at their meeting held on 28.7.2000 have approved acceptance of the pension options of the said 14 officials. The bank is examining the question of fixing responsibility of the concerned officials responsible for the delay.

Non-disclosure of NPAs by SBI

1802. SHRI GHULAM NABI AZAD: Will the Minister of FINANCE be pleased to state:

(a) whether unlike other banks, SBI has so far avoided disclosing its NPAs in absolute numbers, as against a percentage of total lending; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) In its Balance Sheet as on 31st March, 2000, State Bank of India has disclosed movement of NPAs, as per the norms prescribed by RBI.

(b) Does not arise.

Finalisation of Competition Policy

1803. SHRI JIBON ROY: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have finalised any competition policy in view of the rapid liberalisation, globalization and privatisation undertaken by Government; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY):